

## ***Transcript - March 15 AmeriCorps Rulemaking Session***

### AMERICORPS RULEMAKING SESSION

MARCH 15, 2004

COLUMBUS, OHIO

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### PROCEEDINGS

In the above-captioned matter before Mr. David Eisner, Ms. Rosie Mauk, and Ms. Gretchen Van der Veer, taken before Margaret A. Marsh, a Registered Professional Reporter and Notary Public in and for the State of Ohio, at the Hyatt Regency Columbus, 350 North High Street, McKinley Room, Columbus, Ohio, commencing on Monday, March 15, 2004, at 2:29 p.m..

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(Opening remarks.)

MR. CALDWELL: Thank you. I just want to point out before my five minutes starts that you have three males on the panel. The preponderance of color-blind people rests with the male population, so we may not recognize the colors that you hold up.

MS. VAN DER VEER: I will be glad, Kyle, to say "yellow" if you are in need.

MR. CALDWELL: I have staff in the audience that will tell you that's exactly what I need.

I'm Kyle Caldwell. I'm the executive director of the Michigan Community Service Commission; and I thank Mr. Eisner, Rosie, Gretchen, and everyone for allowing me to speak before you today. I represent several organizations today, but I'll really focus on my role as a staff member of a state commission. I'm also the chair of our trade association, the American Association of State Service Commissions; and then also I'm a member of the Save AmeriCorps Coalition.

I want to really talk about two things in my remarks; and one of them is to make the case that AmeriCorps works, which may sound as though I'm preaching to the choir, but I think it's important to bring that up, especially in the initial conversations of rulemaking. And again, I want to focus on Michigan, if I can, because that's the one state I know the most about.

What we have seen over this what I call a dark summer coming out of this budget crisis is that AmeriCorps has reestablished itself as a valuable program. In Michigan we know

that AmeriCorps works. We know that for every AmeriCorps member we have in our state, at least 26 additional nonstipend volunteers are leveraged, making for on an annual basis 19,000 people that we have brought into the work of national service programs, specifically with regard to AmeriCorps.

Those individuals touch the lives of 115,000 people every year through education programs, public safety, human needs, and the environmental programs that we fund. When you look at the economic impact of AmeriCorps, the educational awards, the other piece, the developing of the members, the educational awards that have been given out to date in Michigan offer a value of \$17 million in educational awards. That's a huge impact for a program that's only been around for a decade.

So again, the trials and tribulations that we've been through today are a testament to how now more than any other in the past decade AmeriCorps is viable and it works. We know that AmeriCorps helps communities engage people in service. We also know that AmeriCorps has a multiple focus in its funding, which both provides a tremendous amount of flexibility but also makes it very hard to define. But this common global focus for community change that AmeriCorps members recognize as their legacy is vitally important. At the same time, the funding and priorities provide a broad enough context for communities and individuals to find AmeriCorps useful, relevant, and highly effective.

AmeriCorps increases the capacities of organizations to garner both financial and human resources. For those reasons and many more, we know that AmeriCorps works. Its unique qualities and purposes are enduring. It supports local efforts. It's flexible and responsive, and it builds and expands and maintains a national service infrastructure that can deal with a myriad of issues.

No better illustration of that can be found than this great state of Ohio where CitizenCorps in a post-911 world has really expanded under the leadership of the Ohio Council. And then, of course, I have to say that Michigan is right behind them in developing that sort of leadership.

Attached to my statement, my written statement, you'll also find documents from the Save AmeriCorps Coalition that both herald the process that we're engaging and thanks the Corporation and its leadership for opening up this dialogue and making it a truly meaningful and transparent process.

The principles that are laid out by this Save AmeriCorps Coalition really revolve around three key ideas, first, that the rulemaking process should focus the deep well of experiences that are out there in the field, which you are doing now and we herald you for that, that should utilize the fair and open market philosophy that calls on all to compete on a level playing field the precious resources we call national service resources.

Finally, the principles ask that we think locally and allow state commissions and parent organizations to make quality decisions on how best to garner all the available resources in the public and private sectors to support national service in communities based on what works and not on arbitrary or what can be perceived as arbitrary formulas.

Thank you, Gretchen.

I'd ask that also AmeriCorps programs and policy makers not work from a perspective of division or subtraction or elimination but think of this as an additive process and that the performance measures, grant cycles, and the reporting burdens be looked at from an additive process that seeks to free up grantees and free up organizations to do their work and to look at all the support that's been given to AmeriCorps through the 700 voices in AmeriCorps, the 228 members of Congress, and many more who have said that this program works and is important.

Finally, I think that the communication dialogue has been vitally effective and vitally important and hope that this can continue as a way of the Corporation doing business. Again, I thank you for this opportunity to talk to you today and provide insights on how AmeriCorps can work. I also would like to ask, too, that you provide these and other opportunities in the future for people to testify on the great work of AmeriCorps. Thank you.

MS. VAN DER VEER: Thank you, Kyle. David and Rosie, do you have any questions for Kyle?

MR. EISNER: Yes. It's kind of strange, Kyle, and I manage to talk all the time so having this sort of bank-shot dialogue is a little strange. I appreciate everything that you said in the testimony. However, it was fairly vague in terms of providing sort of descriptions for us about how to move forward. Let me just push in a couple of areas and see if I understand --

MR. CALDWELL: Please.

MR. EISNER: -- how to make some of it more specific. You mentioned at one point that you think that one of the reasons AmeriCorps is effective is that it helps organizations attract additional funding.

Would you agree with the proposition that the ability to attract private or matching funding is fair proxy for increased community support for our program?

MR. CALDWELL: Well, you know, the easy answer is yes; but you begin to go down a slippery slope that I'm not sure that I want to engage in and that is that by answering that question in the affirmative, it also leads to the notion that there should be substantially reduced or reduced federal support. And my notion is that the federal investment has to be there in order for the leveraging to occur.

And in our work -- and I have several grantees in the audience today. They'll all tell you that it is because of the federal investment and because of that presence of that funding that brings in other players and leverages other players.

I do think that it provides more community value, and I do think that it expands the ability of the program; but what I'm worried about -- maybe you weren't saying this. But what I do worry about dealing with this topic from that lens is that you begin to say no longer federal; now it's somebody else's turn.

MR. EISNER: I understand that, and one of the challenges I think we've got in figuring out how to move the rulemaking process forward is to get folks a little less scared of slippery slopes. We're going to be in the middle in some of these places.

MR. CALDWELL: Right.

MR. EISNER: So I think that on something like matching funds, there are really two sets of questions. One set of questions gets to the overall, to the model, to the shape. And the other set of questions gets to sort of amounts.

MR. CALDWELL: Right.

MR. EISNER: And you were worried that the slippery slope might lead to sort of a dramatic shift from, say, public to private.

Would you think even if it's a small amount, would you think there's a fairness in saying that a matching requirement for an organization in its fourth year of operation could be higher than for an organization in its first year of operation?

MR. CALDWELL: Absolutely, and I have to because we have a policy that leads just to that issue. And over the course of six to nine years, we move programs off of all of the admin functions and only provide member support costs to programs, the living allowance and the ed work and then some of the underwriting for training as necessary.

But what's important about what I just pointed out in that policy is that that policy was crafted by and for existing and previous AmeriCorps grantees, much like you're doing here. They told us what the process should be. They told us what the numbers should look like.

And then they said, "Look" -- and this is when we were in fat times -- "you need to make an appeal process that is fair, fluid, and responsive in case the context in the community as well as overall national service changes." And we've done that.

And it's been highly successful providing more resources to bring in more programs, but what it didn't do is cripple the programs. And what's important about that overall process is that the decisions are made locally.

And I think to the extent possible, whatever process this rulemaking dialogue comes out with, that it should look locally to empower locals to make those sort of national decisions and allow that local context to drive the policies, not making a rule that is universal to fit all the grantees.

MR. EISNER: I don't know if you're willing to respond to this in this context or if you'd want to respond later. But could you imagine a way of doing that, of somehow requiring commissions -- without mandating what the formula is of requiring commissions to simply develop their own formula around some of these issues that simply would have to meet certain criteria so that we could, on the one hand, actually be certain that these policies are moving forward and, on the other hand, allow them to have another level?

I'm just exploring whether that is a potential avenue.

MR. CALDWELL: Well, you know, the neat thing about my job is I can give you a Michigan perspective and then have to live with it. That used to be the case before I became chair of ASK. Now I've got to think both of small states and large states. And

while I could answer that question from my state's perspective, I think it requires a richer dialogue before I could answer it both for smaller states and larger states.

Having said all that, though, again, I think if you look at the mechanisms you already have in place, you can deal with this pretty easily. You have state-unified plans in place that states are having to live with, and part of that talked about how you were going to kind of move the field forward.

Every year we submit a package that talks about competitiveness and how these programs need to grow and foster and be sustained. And then also you already have numbered benchmarks in place -- some of them are not as effective as others -- that look at containing costs and also build in some sort of sense of reduced federal share but also build sustainability in programs.

But I think it has to be dealt with in a deeper way; and I think before I would prescribe a formula that you need to kind of go through this process and think through both the large, medium, and small states perspective.

But the answer is yes. I do think there is a way of doing it.

MR. EISNER: Thank you. I'm sure that I could take up the rest of our three hours in conversation.

MS. VAN DER VEER: We love hearing from Kyle, but we'd like to hear from a few other people too. Our next speaker is Jeff Glebocki from the Gund Foundation.

MR. GLEBOCKI: Thank you, Gretchen. Is this on?

MS. VAN DER VEER: It should be.

MR. GLEBOCKI: David, Rosie, and Gretchen, I appreciate the opportunity to participate in this important set of conversations about AmeriCorps and the future of community and national service in this country. David, some of the questions you just had for Kyle I think I'll be touching on from the foundation perspective. Perhaps we can chat about that in a few moments in greater detail.

My name is Jeffrey Glebocki. I'm senior program officer for education at the George Gund Foundation in Cleveland. I'm also honored to be a board member of the Grant Making Forum on Community and National Service, which is a national affinity group of foundations and corporations which have organized to encourage public and private investment in the field of service to strengthen communities and build democracy.

The Gund Foundation is the largest private foundation in the state and has a long history of supporting service and service learning. Examples of the outstanding organizations and programs that we have supported over the years include City Year Cleveland, RSVP, Ohio Campus Compact, The Youth Philanthropy and Service Program at Case, and the Northeast Ohio Student Environmental Congress. We believe that each of these have made and continue to make valuable contributions to the civic health of our city and our state.

As I thought about the public and funding partnerships both nationally and locally that have made the good work of these and other organizations possible, I kept coming back to the analogy of a funding ecology; and that is, as Webster's would say, the relationship of the organisms and their environment.

And as I thought about that more, I asked myself, what makes for a healthy funding ecology? It struck me that just as flora and fauna thrive best in a setting of equilibrium, so has community and national service thrived in the nurturing funding ecology brought about by similar equilibrium through the presence of successful and mutually beneficial public and private funding partnerships. As a result, we have in this country built a strong and growing infrastructure for and of service.

Conversely, though, when there's a diminished balance in richness in the environment, there is a reduction in the health and vitality of organisms. In the funding ecology analogy, when the public/private partnerships begin to alter, we can expect a similar degradation in the health and vitality of service organizations and programs.

So to apply this concept to the issues at hand today, I would make several observations on how we might support a healthy funding ecology of service. First, it is essential to maintain the public and private funding partnerships that have emerged and make the current quality and quantity of community and national service initiatives a part of the American landscape.

We must recognize the role of the federal government and the scale of resources it contributes as the overriding key to sustainability. Foundations and corporations have demonstrated their deep interest and continued support of service, but the fact is the private sector simply does not have the level of financial capacity to replace the role of public funding. Second, we must be cognizant of the financial reality faced by foundations and corporations in the current economic situation. While we are beginning to see some improvement in the marketplace, foundation assets are down from the highs of just a few years ago; and many corporate-giving programs remain restrictive. Increasing matching requirements for organization will put these programs between the rock of reduced public support and the hard place of constrained private resources.

Finally, I would say we need to acknowledge the risks that we might place community organizations in should we alter the current funding scenario. Simply put, the more time and resources these organizations spend on fund raising, the less time and resources available spent on meeting their mission of service.

As a grant maker seeking the most effective use of our funding, I certainly prefer seeing our resources utilized to advance programming for the benefit of people and the community over seeing the same resources used for writing proposals, filling out applications, and chasing dollars.

A few months ago, the Grant Making Forum on Community and National Service along with the Henry Jackson Foundation released the report, "Building a Partnership for National Service." This document further articulates how government and philanthropy have shared interests and responsibilities ensuring the health of nonprofit organizations but that both public and private sectors have unique strengths and limits.

For example, philanthropy has a limited financial capacity but greater flexibility and use of its funds. Philanthropy is better suited to assist start-ups and smaller organizations,

may be better suited for funding program evaluation, research, planning, new program design, and promotion of best practice.

Government, however, has greater financial capacity than philanthropy, though its process for funding is more restrictive but is better positioned to support large-scale programs and more sophisticated organizations. And let's not forget that government and political leaders are also well positioned to define the civic value of national service.

In conclusion I would say that we have learned much about the negative outcomes in nature when ecological challenges alter the balances which exist in the environment. So I would suggest we take that lesson from those experiences and make decisions which will nurture, not harm, the health and community of the national service in this country.

Thanks very much for your time.

MS. VAN DER VEER: Thank you, Jeff. Okay. I'm going to go to Rosie and to David for questions.

MR. EISNER: Thank you. Having spent a long time myself running a foundation, I know that it's considered generally best practice for any ground-making organization to understand what's called an exit strategy prior to making the grant.

Could you describe the Gund Foundation's exit strategy; and would you also express why or whether you think that it's appropriate when the Corporation provides a grant, it should or should not be, likewise, developing an exit strategy?

MR. GLEBOCKI: The Gund Foundation in many cases has an exit strategy in the traditional foundation behavior of helping start organizations up, starting them to launch, attract additional community resources, and then slowly step away over time. But there are also any number of times where the foundation recognizes the critical nature of that program or that need or that service and has stayed with organizations for actually in some cases several decades.

So it's really -- the exit strategy is not something we apply equally across the board, and we look at the -- we look deeply at the value of contributions.

Now, I can use an example. I mentioned City Year Cleveland, which we've been with since its inception in the mid-'90s and we've stayed with for each year. I don't know that we -- in fact, I can say we do not have an exit strategy with City Year Cleveland and hope to stay at the table with this valued and important organization.

So I don't know that I can give you an across-the-board answer. It is case by case; and when there is value and contribution to the community, we have intention of remaining there in some fashion.

Part two of your --

MR. EISNER: Whether there is -- I guess the question would be, given your answer to Part 1, whether it makes sense for the Corporation to likewise be finding a way on a case-by-case basis to understand where it is and where it is not appropriate to have an exit strategy.

MR. GLEBOCKI: And this might not be answering your question, David, but taking that and your inquiries of Kyle a few moments ago, what struck me about the issue perhaps is does this get down to a fundamental change in the role the federal government sees itself in providing funding?

Traditionally it's been the private sector that has acted as the seed money; and then the public sector has over time, depending on what subject area we're talking about, become the sustaining funder. If we're talking about changing that fundamental set of relationships, that is an entirely different discussion and really does -- I'll go back to my analogy. It does change this funding ecology in a way in which at this point in history I don't know that holds great promise or hope.

If I could use a story I once heard, if you took all the assets of all the foundations in this country and combined them in a giant pool and ran the federal government from that pool, you'd run out of money in just a few months, just to give you a scale of possibility here.

So I guess if what we are really talking about is changing the fundamental set of relationships, then that's a different discussion that I think entails a whole lot more than what we're talking about today. I'm not sure if I'm reading into that or not.

MR. EISNER: Well, I promised myself that I was going to be asking more than saying. However, I really can't just let that go. There are a lot of places where it's actually the flip.

If you look at scientific invention, if you look at everything from space to small business to the Department of Commerce to Health and Human Services to pretty much across the board, you can find example after example where the government is actually responsible for doing the pilot project, the study, and then it actually transfers to the marketplace or to the small business. And certainly there are a lot of cases in the area of nonprofit where we have successfully -- where an AmeriCorps participant has successfully helped an organization build capacity.

I think that the issue here isn't -- I think the issue here is we're not talking about shrinking the government's contribution. We're thinking about as we move into a world where we're going to say no several times for every time we're going to say yes, what should our obligation be for disbursing those funds?

But since I just spoke, I'll give you an opportunity to respond; and then we should probably wrap up.

MR. GLEBOCKI: You're absolutely right that there are many numbers of examples throughout history where the national government has acted as the place for projects of scale that had been spun off. I'm not suggesting that isn't true. But at many places from a community-based level, we are talking about, again, projects seeded by the private sector, philanthropic sources and corporate, that have then gone that direction and scale. So I think it's important to recognize that.

I guess the basic point to come back to is that if we're talking about fundamental issues of sustainability or matching grants, I don't know that in communities in which we fund



that if there are significant changes in that that those programs will be with us in a reasonable forum.

The public and private support, the level of dollars is simply not there to supply the public funding. We start to get into great specifics there; but by rule of thumb, it wouldn't work that way, at least in the communities that we know of.

MS. VAN DER VEER: Thank you, Jeff.

MR. GLEBOCKI: Thanks.

MS. VAN DER VEER: We're going to move on to Glenn. Glenn Odenbrett is from Case Western Reserve University. Thank you for your comments, Jeff.

MR. ODENBRETT: Let me face the panel. And, Jeff, thank you for what you just said because I think it's a really segway to my comments. My name is Glenn, two Ns, Odenbrett. For the past ten years, I've been the director of the Office of Community Service at Case Western Reserve University.

For just as many years, my office has sponsored a number of AmeriCorps national service programs addressing critical community needs in education, the environment, public health, the arts, and access to technology and have been funded through (inaudible) of America, VISTA, and the Ohio Community Service Council.

Our current program has been restructured so that it covers all of those areas, is going to be focused on full-time summer service, and is currently four times larger than the first program that we had funded in 1994. So needless to say, along with that expansion have come some associated additional costs.

All of my comments relate to sustainability, capacity building, and to the issue of associated performance measures. I can't cover all of those things, so I do plan to submit some written comments with respect to certain other things and focus on the sustainability issue for purposes of today's hearing because I know it's a concern for all of the other grantees who are here as well.

Virtually all of my discussions of this topic with staff, either at headquarters or at the state council, have gotten the impression the operating definition of sustainability is almost exclusively financial. In other words, no matter what else is happening programatically with respect to (inaudible) community to address community needs or even continue to meet needs at historic levels in the face of the draft of budget cuts and revenue shortages that most community-based organizations are facing, the bottom line with respect to sustainability always seems to be: What is the plan to shift as much of the fiscal support for your activities as possible from the Corporation to other sources, and how quickly can you make that happen?

Now, I have a whole paragraph here about the dot com implosion, the impact on higher education endowments, and all of that. (Inaudible) Suffice it to say that when we first started, the higher education endowment model was being used as a sustainability model here in Ohio. The higher education people were being brought in to teach us how to establish endowments. We now know that that has problems based on what's going on in the stock market currently. So I won't go into any great detail there.

But I will try to summarize our efforts of sustainability over the last ten years along with our expansion. It's something I'm going to call the sustainability shuffle, and the reason I'm calling it that is because it's kind of like an intricate dance with many moves to music that keeps changing it seems every few bars; and that has been a challenge for us.

How have we tried to sustain ourselves? No. 1, service learning. Because we are an institution of higher education, what we decided to do is focus our AmeriCorps national service efforts full time to the summer and focus our partnership building during the academic year in the area of linking those services that we would have normally provided through our AmeriCorps programs and academic departments.

Now, that has created a special challenge for us with respect to performance measures because since we are being asked to shove three summers out, disconnected by academic years, what the overall impact of our program is going to be in organizations that themselves cannot even afford to run other than summer programs that we support and might not be there if we weren't providing that support. It has gotten tougher and tougher and tougher for us to show that we need to be there for the community.

Secondly, that's a very good sort of segway to partner contributions. That's supposed to be another -- for those of us who run kind of umbrella programs, that's supposed to be another way of sustaining ourselves. As a program which serves as an administrative umbrella for community-based nonprofits who do not have the capacity to host AmeriCorps on their own, one might expect that our partners would be very willing to make contributions toward sustainability; and they do in every sense but a fiscal one.

They provide training, collaborate program planning, and provide "bennies" for the service of our members. But as grass-roots organizations, they are simply not fiscally able to support our programs, at least to that extent. And when we have received such support, it has been episodic. And in the current time of state budget cutting locally, nationally, and statewide, it's virtually nil.

Finally, work study, well, I could write a 20-page paper, as Rosie knows, on the whole issue of work study. Suffice it to say that work study is needs based. If you want to have a nondiscriminatory program that is open to, in our case, a variety of students in the university circle area, you base it simply on financial eligibility; and you're going to be screening out some of the best possible national service participants.

Recommendations: Rather than focusing evidence of sustainability on strictly fiscal issues on individual grantees, look at factors such as the increase in the number of organizations benefitting and included in a particular AmeriCorps model, organizations that otherwise would not have the capacity to sponsor national service programs on their own.

Secondly, consider providing incentives for communities, such as Cleveland, to build capacity for community-wide sustainability strategies. Thirdly, include grantees in the process of helping to define sustainability so that we can tackle this problem together.

We want to help; but we need ways to be encouraged to work together, not to compete with each other. Thank you.

MS. VAN DER VEER: Thank you, Glenn. Any follow-up necessary for this speaker?

MS. MAUK: I'm intrigued by your last thought about how communities could help define sustainability for themselves. It kind of reflects on Kyle and David's conversation about states defining sustainability, and now we're talking about communities. So how would that happen?

MR. ODENBRETT: Well, I warned Jeff that I was going to mention the Gund Foundation as a potential convenor of that kind of conversation. I do think that community foundations are in a position to get that conversation going. I must say that in the past when I have tried to nudge that conversation into happening, sometimes the response has been, "We make grants to individual organizations."

And so I think what needs to happen is that -- and I'm not saying this is the Gund Foundation's response necessarily, but I've heard from other people that that sometimes has happened. The response is not universally yes. This needs to be a partnership with national service. What we've heard is, "That would change the way we make our grants, and it's too difficult."

MS. MAUK: And just one other follow-up. When you were talking about the difficulty of connecting your three summers, would the fact that, you know, we're having some conversations in rulemaking about would three-year grants really be -- you have your grant for three years and you're not recompeting what it seems to be like for -- some folks seem to think that every year is as difficult as the year before; and so as we continue to have some more open dialogue around that, would that help the situation that you find yourself in in trying to put together performance measurements year after year?

MR. ODENBRETT: In part. I think the problem is that those of us who are working with truly grass-roots organizations are working with organizations whose populations that they are serving are vulnerable and highly mobile. And so to be able to say three years out that we're going to be able demonstrate 20 percent of whoever we serve had their lives moved in any given way is simply impossible. So it looks like in our case we're going to have to make a very difficult choice; and it's a choice I really don't want to make, you know.

It's a choice of either partnering with organizations that have the capacity to collect that kind of data and generally are working with populations that are not so highly mobile and, in fact, less in need and cutting off the grass-roots organizations which don't have the capacity to help us with that tracking or to stick with what we're trying to do now at the risk of losing support from the Corporation because we can't prove that we're making the kind of difference that you want us to prove we're making. That's the rock and the hard place, I'm afraid.

MR. EISNER: Without asking you questions, let me just thank you for particularly the focus on a broader definition of sustainability. I hope that you go into more detail on that in your written testimony. I'm also really intrigued by the idea of providing incentives, for the Corporation providing incentives for communities to address the issue. I'll be looking forward to that.

MR. ODENBRETT: I'll be happy to expand on that.

MS. VAN DER VEER: Okay. I want to say thank you to our first three speakers, if you would kindly move to the audience and if I could have Ryan Schmiesing and Maureen Sullivan step up to the table in front, please. Okay. Ryan, I think Schmiesing is before Sullivan in the alphabet; so you're our next speaker.

MR. SCHMIESING: Thank you. It's indeed a pleasure for me to be here this morning or this afternoon now. Kitty tracked me down in Texas last week. I was on vacation doing some work; and she wanted program us to come in and talk about our program a little bit, more specifically about the sustainability efforts of the Ohio Teen Bridges Program that had operated from about 1996 to 1998.

Our program is a partnership between Ohio State University Extension 4-H Youth Development and the Department of Human and Community Resource Development at The Ohio State University. We focus on teen vehicular safety and general public awareness of vehicular safety within communities across Ohio. OSU Extension operates in all 88 counties in the state. We have a network of people, nearly 30,000 volunteers across the state. So we have a pretty good structure network within to operate.

But let me talk about after 1998 what happened. Over the three years, three and a half years of our program, we had approximately 27 counties that operated within us and partnered with us for the Ohio Teen Bridges program. Of those 27 counties, today approximately 19 of those counties still conduct vehicular safety programs that were operated under the federal funding of the program.

When we looked at sustainability, our approach at the very, very beginning of our grant cycle in year one was that ours was going to be a three-year program and at the end of three years we would not seek to reapply for federal funding.

So in order to do that, we had a couple different strategies that we approached. One, we did require increased cash matches from our local host sites, which were our counties, each year. We required the counties identified to have advisory committees on a regular basis to build that capacity on a local level. We had a comprehensive evaluation plan to collect data on multiple levels, not only including inputs and our activities, our knowledge gained, our attitudes and opinions, aspirations of those who received services, skills, and obviously practice change.

One of the big things that probably contributed to our sustainability efforts within the communities was that all of our members were trained and supported in terms of program development and program evaluation, and to us the most important was volunteer management. We know that programs are supported in local communities.

And I'm glad Glenn said what he did in terms of sustainability. When we define sustainability, we move beyond how much money does it take for this program to continue after three years? Because I think you're exactly right. If you're going to look at it from a dollars' standpoint, we wouldn't have been successful in three years to leverage those dollars; but we were successful in leveraging the people to continue the program.

I'll be honest with you. In some counties it did not continue. But then we asked our question: Should it have continued in those counties? If it didn't continue, perhaps there wasn't a need in that particular community. We let them decide that for all intents and purposes.

Not only did we train our members in those types of things, we had, in terms of sustainability, workshops with our own site directors from across the state. We required sustainability plans. We also looked at sustainability in terms of a couple things.

Some of our sites continued stipend volunteers. Some of them created and hired new staff positions as a result of this. Part-time positions have now grown to other things.

Some of them continued with nonstipend volunteers in a community network. That advisory committee that represented many components of the community continued the program, or in some cases it was integrated into some existing staffing patterns or staffing members.

But the bottom line for us was the fact that our sustainability focused on how do we sustain the program in terms of the types of things that were needed in the community, not necessarily how do we sustain the funding of the program.

And it may be semantics; but I think if you look at it a different way, I think it allows you to more broadly approach it. There are a couple things. We were asked to comment on what would have helped in that transition, and some of the things came up. Some of them are in the blue document that was passed around, and I will readily admit that some of them are relatively controversial.

As some people may know, I've been on the bandwagon for quite some time. I strongly believe that there should be a required submittal of sustainability plans and more intensive scrutiny of those sustainability plans. I do believe and support the required decreased federal funding and the increased local matches in some way, shape, or form. It may be in finances. It may be in people.

Also we feel our hardline approach in three years and we're done was the appropriate way for us. It forced us to look at sustainability in a different way.

I talked about more rigorous sustainability planning in the support networks and the requirement of a more comprehensive evaluation plan. All of this, again, occurred by what I believe -- and now I'm four years removed from the program or five -- the intense need for us at the time for a higher quality of technical assistance and support from the federal, the state, and the local communities.

Thank you.

MS. VAN DER VEER: Thank you. Any follow-up, Rosie? David?

MR. EISNER: What would you have done different now? Looking back on it, would there have been things that you would you have done differently in terms of your sustainability plan?

MR. SCHMIESING: That's a good question. I think there probably are. If we look at the sustainability of how we did it, we probably would have allowed for even more flexibility locally. We put some parameters on of what we thought needed to happen. In some cases they didn't meet that because maybe the parameters, even though they appeared to be flexible on paper and I think they were, were not quite as flexible as what some communities had the capability to do.

We're talking about communities in rural southern Ohio Appalachian counties had the means in terms of finances but also lacked some of the community support to do some of the programming that we've done down there. There may have been some other methods. So we may have been even more flexible.

And probably -- I'll be real honest with you. This is probably not going to be a real popular point of view; but we would have decreased our match that we provided, increased the local match in terms of either finances or how they participated, and found some other way to determine how that local match increased, whether it be in cash, in-kind, or human capital.

MR. EISNER: Thank you.

MS. MAUK: Just one really quick question. In thinking about all the different ways this might look, what we're hearing from some folks is, you know, maybe what worked for you all means there's a certain kind of model that certainly your organization isn't the only one.

Maybe we could continue to have some dialogue about what is it that was unique about your organization that that worked and look around the country and see others that look the same.

MR. SCHMIESING: That's an excellent point, and I probably didn't stress that enough. If you look at our organization -- and we're certainly not the only ones around the country -- if you look at the cooperative extension service across the country and know that we have offices in each one of our counties in every state that we exist, okay, that exists, our networks for the most part are very, very good in those communities.

So when we go in with new programs that, by the way, were identified as local need as a part of the original grant application, they were identified as a local need in those communities that we went to. So we start with these programs. We're able to build that capacity because, hey, our faculty and staff have the experience of building that capacity because I don't fund things long term either from our office and pilots that we start.

So either they're going to work locally -- sometimes they work without our funding because there is that intense interest and need for it. Other times it's because there is none. I mean, people don't want it. They don't need it. And other times it just hasn't worked because the personalities and culture hasn't been ripe.

MS. VAN DER VEER: Okay. Thank you. Our next speaker is Maureen Sullivan from the Urban Appalachian Council. But before she begins, I'm going to ask Kitty Burcsu, Charles Varro, and Maile Doyle to come up here and sit in the front row because as soon as Maureen is done, I'm going to ask for Maureen and Ryan to cycle off and those three to cycle up to the table. Okay. Thank you. Maureen, go ahead.

MS. SULLIVAN: Does my time start when I start introducing myself?

MS. VAN DER VEER: Yes.

MS. SULLIVAN: Well, before I start introducing myself, I'm really nervous. I even put my name down on this sheet of paper. In addition to that, I was even more nervous when I realized I was the only woman on the panel.

At any rate, my name is Maureen Sullivan; and I'm the executive director of the Urban Appalachian Council in Cincinnati, Ohio. UAC is a relatively small nonprofit organization. It's community based; and, in fact, our strength, I believe, is in our connection to our community and to our partners.

We are joined in partnership with a group of nonprofit neighborhood-based affiliates. Our nonprofit partners do, in fact, pay the 15 percent member match for the members who are serving in their sites; but they are not able to make any contribution to the administrative overhead or the operating costs of the program. However, in the mid-'80s--- and we've been kind of working together since the mid-'80s -- we decided we'd have to hang together rather than fall apart literally.

I'll skip over my miscellaneous comments and go to my first comment, which isn't actually perhaps even on one of the rule lists; but I believe that the member education awards need to be increased. We've talked about this locally.

First of all, it would be an incentive for recruitment. It would be an incentive for member retention. And it would seem to me that with the increasing costs even at state colleges for tuition, every year there's an increase, there's an increase, there's an increase, there needs to be some justice looking at what the ed awards are.

I know that my husband went to college on a GI bill. He became a teacher. I know that education funding has been linked to defense in different times in our nation's history; and I believe that an educated populous is the strongest defense that any country, any nation can have. I have concern and I am hoping -- even though I feel like it's me against the President so I'm really nervous in saying this; but I would hope that there is a reverse of the move toward reduction in costs per member, especially for small organizations like ours, small community-based organizations. We're already lean. We don't have middle management that we can get rid of.

The loss of member services in our services for our families and our children is going to be devastating. And as several other people said, you know, I understand the benefit of the equation in terms of like national and local; but it would just be a shame if those reductions in per-member cost and the eventual reduction in support would lead to the overall reduction in service, notwithstanding the tremendous words of my colleague up here.

MR. EISNER: If I could interrupt, are you talking about the support per member? Are you talking about the federal share of the support? Which one are you worried about reducing?

MS. SULLIVAN: The formula, if I understand it, is linked to full-time equivalence times the dollar figure. And if that figure goes down and significantly continues to go down, that impacts very definitely the operating support that is available.

MR. EISNER: That federal share.

MS. VAN DER VEER: I didn't count that time against you, Maureen. Keep going.

MS. SULLIVAN: Thank you. Then actually my third point is around reconsidering the idea of sustainability. Each AmeriCorps member presently serves two years, at least in our program. I think that's the limit. Not one of them is going to make AmeriCorps stipends a way of life. The hope of their becoming lifelong servers in their community seems to be directly linked to the quality of their experience, a combination supported by training, orientation, and all the aspects of member development.

It seems to me that what we're hoping for, what we're praying for, what we're moving to is transformational service. Something happens in the lives of those individual persons that causes them to realize just what they get back out of it, what they give. I mean, the whole thing that the gentleman was talking about this morning, that capturing of our -- that capturing of their initiative and their energy.

I'll submit a lot of this because I do want to make just a couple of more points. For organizations sponsoring these programs, it takes a while to learn the system. Then it takes a while to get like the resources all martialled and get good at it. Just when you're really getting to the point of excellence, whoops, it may be that, you know, you're out. And so it just seems to me that there needs to be something else.

It's like telling a company that you're contracting with for airplanes that you need these specifications laid out. They get all their line in place; and then, whoops, you know, now you're going to cut their contract by half in the next year. Who knows. Excuse me.

In regard to matching funds, I mean, I think that the idea is great. We've had really good success, I think, with local foundations because it's a tremendous selling point. There's a lot of bang for the buck, and people are matching; but there is a lot of competition, as folks were saying earlier.

And I would encourage -- we've had -- can I just say two or three more things? We've had through the GE Fund and the United Media, the United Way of America, and AmeriCorps just two or three years of match that came through that GE Fund kind of relationship. And it seems to me -- and this also, I guess, isn't a rule; but it would be more work for you to go out and to really build those kinds of partnerships, those kinds of relationships that would help offset the federal but would also be more than the local somehow or other.

In regard to evaluation, I think that's a great thing; and I do understand that there are guidelines, more specific guidelines that are going to be forthcoming. I affirm the idea that there would be more stability in the program, more predictability in terms of what would be asked for.

And the final thing I'll just say is in regard to continuation applications. We have a nationally funded environmental program. The National Institute of Environmental Health Sciences funds a project that UAC has, and they go through a process called the SNAP process. I think SNAP stands for simplified noncompetitive application process.

It's very straightforward and very simple. It's a progress report. There needs to be some way of figuring out, through progress reports or otherwise, that the organizations were on track and doing all that they need to in the performance measures.



I think that may be it.

MS. VAN DER VEER: Thank you, Maureen. That was great. Any follow-up?

MR. EISNER: I just want to thank you for calling the SNAP process to our attention. I also want to thank you for your very eloquent description of how to start thinking of these members as a pipeline for future professionals in our field, which is really important.

And a quick question on matching. Does a requirement that you meet a matching amount in order to qualify for federal support help you in terms of raising money for the match?

MS. SULLIVAN: Yes, I believe it does. And can I say just one other thing? Okay. Yes, I believe it does.

Now, in regard to an exit strategy, one of the things I thought when you asked that other gentleman that was, you know, the Urban Appalachian Council, part of our work is GED and adult basic education. And the reality in Cincinnati where we are is that African-Americans and Appalachians in inner-city neighborhoods in Cincinnati have the highest dropout rates in the city.

Appalachians actually have the highest dropout rate, but there are more African-Americans because there are more African-Americans in the system as dropouts; but both communities are tremendously impacted.

We'll exit from the field when there are no longer any dropouts. We'll exit from the field when there are not children who are not advancing even one grade level year by year in school. There's real work to be done, and there's a need for real support. Thank you.

MS. VAN DER VEER: Maureen, thank you for your passion. Okay. Kitty, Charles, and Maile come on up. And I need Jean Ambrose, David Weiss, and Leslie Adkins down here up front.

Okay. Jean, you are next on my list. I'm sorry. Kitty. Jean is next. I glanced at the list that I just called up. Kitty, you are next.

MR. EISNER: Kitty, before you start, thank you again for making this possible and for also so generously treating us.

MS. BURCSU: You're welcome. We're really glad that you came to Ohio. This isn't the work of one person. Obviously the staff of the Ohio Community Service Council, the State Office, and your staff made this happen. We're glad to be part of it, and we're glad you're here.

Okay. I think I need to paraphrase my comments just because I know I won't get them done in five minutes. My name is Kitty Burcsu, and I'm the executive director of the Ohio Community Service Council, which is the official name of Ohio's state service commission.

My comments will also focus on sustainability, and for our commission this is a really difficult issue. We certainly believe in the public/private partnership that has been the foundation for AmeriCorps. We know that in Ohio, and as in other states, there are geographic areas with high needs and few local resources to help address them. So how can you possibly stop a program that is such a Godsend to that geographic area?

But at the same time, I believe that we, as a state commission, have an obligation to make sure that other communities who want to utilize AmeriCorps members to address their most pressing needs have access to these resources too. While we certainly don't want to get rid of an existing good program, I believe we have the responsibility to help create many more good programs.

So we have a funding limitation policy. We require sustainability plans; and, quite honestly, we're still struggling. But as we do, several thoughts, several ideas have emerged that are helping to guide our thinking in this area.

No. 1, we believe it's a fallacy to believe that an organization or community can sustain an AmeriCorps program model without federal dollars. If it is the AmeriCorps program model and the national service presence that is paramount, then the federal dollars must always be there. If it's the services that those AmeriCorps members provide we want to keep, then we need to focus on how to preserve them.

We as a commission, when evaluating a program's progress in achieving sustainability, must focus on progress in institutionalizing or finding alternative ways of maintaining the services provided by the AmeriCorps members and securing the financial and human resources needed to do that. The technical assistance that we provide must likewise be focused.

We need to work on mind-sets. With the creation of a funding limitation policy and the requirement and expectation of more concrete sustainability plans, our AmeriCorps program applicants are beginning to see the federal dollars as a temporary resource to put a structure into place that can support long-term service delivery rather than entitlement dollars that will remain in the community indefinitely. There's still much work to be done in this area.

If the long-term delivery system that is put into place involves community volunteers, and most often it does, then the mind-set that volunteers are free must be dispelled and adequate financial and human resources must be available on a continuing basis to manage and support that volunteer force.

And we need to think about how to best transition programs from full AmeriCorps program funding to reduced or no federal dollars. I'm not sure that the one-size-fits-all percentage reduction in the federal share every year or funding cycle is the answer. We must be sensitive to the capacity of organizations in geographic areas to sustain or partially sustain services in the same manner and within the same time frame. We know that in some organizations and communities it will take longer.

Determining realistic and appropriate expectations of a diverse group of subgrantees is a challenge. Finding alternative ways of transitioning to lovely sustained services besides an incremental reduction in federal funds is necessary. As a pilot state in the most recent unified state planning process, we were challenged to integrate national service programming.

Our Joint State Office and Commissioned Staff Program Committee is charged with this task of determining the role other national service programs, such as VISTA and RSVP, could play in assisting AmeriCorps programs to sustain their service needs to be part of exploring integrated national service programming.

Now, as you debate this, I ask that you respect the efforts we as a state commission are making to encourage and work toward sustainable services and not impose a one-size-fits-all sustainability requirement on either the state commissions or on the individual AmeriCorps programs under consideration for competitive funding. Sensitivity and flexibility are key.

No. 2, develop a broad, clear definition of sustainability and the criteria that demonstrates progress. At the national level, develop a sustainability plan that works in concert with and complements the efforts developed in working at the state level.

4, eliminate deregulations policies and processes that limit the possibilities of national service programs working together. Provide some incentives to try out new ideas and ways of working in tandem. One more. Be proactive in educating national policy makers about the true costs associated with maintaining a trained and committed contingent of volunteers to serve in conjunction with or after AmeriCorps members have concluded their services.

Help us to dispel that notion that volunteers are free. Thank you again for coming to Ohio.

MS. VAN DER VEER: Thank you, Kitty. Okay. David? Rosie?

MR. EISNER: Thank you. That was extremely thoughtful, and we really appreciate the work that the Commission and the State Office is doing on some of these issues; and I'm particularly sensitive to your request that we not do something that mandates how you move forward in your discussions about sustainability.

How would you suggest that we at the Corporation think about it? And I think if all states were making the kind of progress that Ohio is making, a lot of this discussion would be fairly moot and the challenges, that Ohio is really at the very far cutting edge on a lot of this.

And so the question is: How do we begin to think about ways of moving the sustainability discussion forward?

MS. BURCSU: With states doing their own --

MR. EISNER: Well, I think there's a lot of different problems. But overall getting this issue to catch the kind of momentum that I think Congress and the President and our board of directors is expecting against the dollars.

MS. BURCSU: Well, I think my sense is that most states are thinking about sustainability as it relates to their particular state and needs; and so I guess I think a lot more is going on perhaps at the state level than perhaps we have shared with you.

And then maybe that's the first step, that all of the different ideas that are percolating, you know, in Ohio -- and I know you're going to hear from West Virginia very soon -- we need to pull all those together and see where we can learn from each other on those things.

MR. EISNER: Thank you.

MS. MAUK: Kitty, I have made myself a note that I was going to ask one of you when you got up here; so I'll ask you. When I heard Kyle talking about some of the sustainability work they're doing in Michigan and on our conference call on Friday, some folks in California said to us, "You know, there's only three programs in the state of California funded by the Commission that have been funded from the beginning." So a lot of programs in California.

Then, you know, I've heard about your sustainability plan since we arrived last night. And so, you know, perhaps some of you all could help take some initiative with some support from us to be absolutely right. Let's garner all that information and see what is already happening.

Just so the audience knows, there's two Toledo girls who are sitting up here. So Maureen who is feeling shy, I thought, okay, maybe she knew we were from Toledo. And thanks for hosting, Kitty.

MS. BURCSU: You're welcome.

MS. VAN DER VEER: Yes. Good things come from Ohio. Charles, you're next so go ahead and take your shot at it. MR. VARRO: My name is Charles Varro. I'm from Cleveland, Ohio. I'm here primarily to win some support for the continuation of AmeriCorps. I'm speaking as a former president of the National Association of the Civilian Conservation Corps alumni, 34 years.

I'm a concerned citizen who has devoted much of my life to promoting service of young people. The last several years, members of AmeriCorps have performed great services for our (inaudible) headquarters; and I could not be more pleased in calling the grandchildren of the CCC.

CCC alumni have worked very hard to enact AmeriCorps in 1993. A guy by the name of Leon Panetta (phonetic spelling) and so forth set the stage and had been in process for several years prior to that and eventually became effective, as you know, in 1994. More than 350,000 (inaudible) service opportunity resulting in (inaudible) impacts and outcomes, strong community partnerships, improved service delivery, and a wealth of programming expertise.

Our goal is to grow AmeriCorps until, like the CCC, every person who wants to serve has the opportunity to do so. I'd like to see in 50 years from now AmeriCorps can look back on alumni and speak proudly of their accomplishments that we have in looking back our 50 years. We have served every state three and a half million men. It worked out beautifully.

I served three years in CCC and '39 through '41 followed by four years in the military in New Guinea, Philippines. I also completed -- I should say pursued my additional

education at the University of Pittsburgh through the GI bill. 40 years in private sector followed.

I believe we should ensure that AmeriCorps resources are allotted and allow the largest number of individuals with diverse backgrounds to serve through a high-quality full-time/part-time program. Everybody deserves the opportunity to serve his or her country.

A little more about the state of Ohio. Let's see. This whole sheet was designed for 20 minutes so I've got to cut it to 5. My view is your responsibility in Washington should be to sustain effective programs when they face cancellation because of state budget cuts.

The Ohio Civilian Conservation Corps, OCCC, was established in 1978 with federal funds. Those funds dried up in the mid-'80s, and we were able to sustain it with a mixture of state and private support. The OCCC is here with all six of our young men and women, two residential facilities and six nonresidential facilities, camps.

The CCC provided a (inaudible) throughout Ohio. It was a way for disadvantaged young people to move from the lives of dependence on various systems into lives as productive and engaged citizens. Many of these corps members took advantage of the AmeriCorps Education Award.

In June 2003 the state abolished the Ohio CCC. 9-11 had something to do with it and so forth, but this is a case -- possibly a solution would be for AmeriCorps to have grants to states so they (inaudible) 5013C organizations and carry on on their own and once established would not require any further funds.

Let's see. Page 3, 4, and 5. Government-funded CCC. I think what makes AmeriCorps great is it is a public/private partnership. As someone who has raised funds for service programs, I can tell you that the President of the United States has indicated he totally approves AmeriCorps.

The CCC and the military brought together young men from different parts of the country and broke down barriers between race, and this helped to make this one nation. I suggest any change you make must be sensitive within these forms of diversity and make no changes in the program that should make AmeriCorps less diverse.

I remind you that the CCC (inaudible) part of the country. In fact, you're still enjoying the fruits of our labor.

Well, I urge you to be sensitive to diversity in all forms: Geographic, racial, ethnic, and socioeconomic and suggest no change in the program that makes AmeriCorps less diverse.

In fact, you should be devoted to promote diversity so that America looks like America. Thank you very much. I should add one more comment. There's another gentleman here with me that also served in the CCC. Steve Penchal (phonetic spelling), please stand. He served two years in Utah.

MR. PENCHAL: Two years. That was the limit at that time.

MS. VAN DER VEER: Thank you for your service back when you were CCC members and for your lifelong commitment to service since then. I just reiterate that there are plenty of other ways that you can get your full testimony to us, and we'll go over that at the end because we'd like to have it.

MR. VARRO: Thank you.

MR. EISNER: Let me just ask you a quick question. I appreciate the focus that you bring on diversity. Are you particularly concerned about anything that we're considering impacting diversity? Do you believe that the federal share issues or matching requirements can impact diversity?

MR. VARRO: Yes. We have eight camps in Ohio, and I'm familiar with two of them in Michigan too. I have spent quite a bit of time up there. The camps could continue. For instance, in Ohio it costs around 7 million a year. Net costs are only 5 million. They produced and sold \$2 million of products. So that's a method of reducing the funds.

Michigan ran similar programs; and the fellows and girls acquired some tremendous education, learned software. They learn to use software, create hardware, create products, the huge golf signs you see, signs of golf courses and private business. In Michigan you see them all over. They are produced by the CCC.

These are saleable products. They take ordinary milk bottles and create five-and-a-quarter pieces of plastic that are eight-feet long and (inaudible) five-and-a-quarter inch thick. A .22 bullet would not penetrate them. So they're built to last a long time on the golf course and in private.

In fact, in Lansing, Michigan, you'll see a large chart identifying the whole public square built by the CC in color form. It's a beautiful product which brings a tremendous education to young people. We shouldn't let that go to waste. Some federal money could help that program along, reconstruct it.

In fact, one of our benefactors is a former CC man, Bill Frazier (phonetic spelling), spent a whole year up in Michigan, became a minister later. He then was able to go across Michigan and collect \$35,000, a grant from private industry. With that he started a statue program to further another legacy to establish the CCC, and to date we have 20 statues established.

These are 6-foot bronze on a 4-foot pedestal in 17 states. We have five more scheduled this year. We have them in New Jersey and Florida and Pennsylvania and Michigan, Saint Louis, and on and on, Salem, Oregon. We have one coming up next month in Dallas, Texas. So it will be 25 soon.

MR. EISNER: Thank you very much.

MR. VARRO: Thank you.

MS. VAN DER VEER: Maile.

MS. DOYLE: Thank you. I'm Maile Doyle, and I do thank you very much for coming out to the field to talk to practitioners to gain insight into the actual process of the local AmeriCorps programs. I chair the Ohio Community Service Council. Having served on

this commission for seven years, I've seen the AmeriCorps program grow in service to our state, indeed, in service to our country.

AmeriCorps offers our citizens the opportunity to serve our country for one and two years and is most valuable because it is at the local level, not unlike the military that protects us at the national level. The stories are also very individual of the impact on lives.

The professional hat I wore more recently for eight years is that of a volunteer center director helping to build the capacity of my local community to engage our citizens in traditional volunteering both as organizational and administrative volunteers. Our center also hosted an AmeriCorps promise fellow for four years to build an ethic of youth asset development in our community. The local cash match came from county government, schools, and civic organizations with most of the in-kind match coming from the volunteer center's organization.

I come before you today to discuss capacity-building activities by AmeriCorps members, including volunteer recruitment and fund raising. One of the unique qualities of AmeriCorps is that at the local level, citizens determine what is needed in their community, design a program to address that need, and submit a proposal to the state commission for funding to conduct the program at the local level.

The interesting thing about these proposals is that one size does not fit all. What is needed in southeastern Ohio is not the same as what is needed in Toledo in northwest Ohio, and the resources available in each area to match the grant varies dramatically too. It is important that AmeriCorps members be charged with recruiting and engaging local citizens in traditional volunteering and to be involved in fund raising for their program.

As you may know, the independent sector has recently compared five of their biennial surveys on volunteering and giving and has found that households that give and volunteer donate at more than twice the rate of households that only give, 2.6 percent of annual income as opposed to 1.2 percent of annual income. This knowledge is extremely valuable for the local nonprofit organizations looking for local funds for their quality-of-life programs.

I believe that all staff should be engaged in promoting their program locally to attract both volunteers and monetary resources. AmeriCorps members can be trained to help write grants, to make presentations to tell the story for the ask and to become visible in the community.

Training is also needed to help AmeriCorps members to understand the value of a well-managed volunteer program. Human resource management is valuable life knowledge no matter the setting, but it is vital in a nonprofit that depends on volunteers to leverage staff in the carrying out of social outreach. Placement of AmeriCorps members in volunteer centers to maintain a database of local volunteers would help recruit and place those volunteers, and that helps build the capacity for the volunteer centers to serve their local communities.

One caution from the field of volunteer managers is that an AmeriCorps member who is available for only one year or even two should serve in a support or partner role to a permanent staff member for consistency for the community volunteers. They can

certainly be helpful in building agency capacity to involve volunteers, but they are not necessarily the best solution. The nonprofit organization must make the long-term commitment of funds and attention to volunteer management.

As the Corporation examines current rules and looks to define future rules, please remember that this program is truly implemented at the local level and is administered by the states. Keep the rules as broad in scope as possible while satisfying the congressional and executive branches who fund it.

We now have a ten-year history of doing good in communities with a track record of the good, the bad, and the ugly, of affecting changes in lives one life at a time in the AmeriCorps member him or herself who will never quite look at life in the same way again and of all the communities who have significantly changed something that needed changing.

Thank you again for this opportunity to share with you some of my thoughts and for coming to Ohio.

MS. VAN DER VEER: Thank you, Maile. Go ahead, David.

MR. EISNER: Thank you very much. On advice of my colleagues, I'm cutting down on the questions.

MS. DOYLE: You're not allowed to ask any questions? Okay.

MS. MAUK: Well, one of my notes had been two speakers, 25 minutes.

MS. VAN DER VEER: So thank you very much. If I could have Donna, Jean, and David come on up to the podium there or the table there; and we have Leslie Adkins, Martha Bottomley, and Kris Collee, if you'd come on down and sit right up here in front. Donna Smyth, you're up here.

MS. SMYTH: Thanks for the opportunity to share. My name is Donna Smyth. I work for Public Allies Cincinnati. I've worked there for the last four years in the role of a program manager and now currently the director of our continuous learning element.

A little background for those of you who don't know about Public Allies, we are an AmeriCorps program that works to recruit young people 18 to 30 to advance their leadership, their participation in nonprofits, communities.

We were created in 1998 in Cincinnati through the initial leadership of Father James Hoffit (phonetic spelling) through the university and with initial funding from Proctor & Gamble and John Pepper (phonetic spelling) there. We are the seventh branch of Public Allies. There are actually ten current branches of Public Allies across the country. We work with young people and are diverse.

We have kind of three points I want to make in regards to the rulemaking process. The first one is we want to emphasize Public Allies, the importance of a full-time service and stipends. We work really hard to get diverse classes of young people; and we're able to do that because we offer a decent, livable wage to those young people and are able to recruit the single parents. 50 percent of our members are college grads; 50 percent are



not college grads. The full-time service and stipends offers up the opportunity to support a vast array of young people.

Also one of our members last year who was serving at a church, at Washington United Church of Christ, was a volunteer coordinator there. She was able to in her ten-month term of service mobilize a congregation of under 50 people to mobilize a volunteer base of 400 people per month serving.

Together they ran their feeding program, their weekly feeding program, their after-school tutoring program. So we believe that full-time service people do a really good job of investing in and supporting community volunteers who come to organizations.

Secondly, we believe that AmeriCorps member service and activities and outcomes are best defined by the community. Our organization alone in Cincinnati we have 99 alum, and we work with over 60 different organizations in our community. We do a lot of work with those organizations to help them define what is best for their community, the populations they're reaching and serving.

79 percent of our partners report increased collaboration due to their partnerships with us. 69 percent report increased volunteerism, and 44 percent report improved evaluations due to the support of our program. We hope that providing more flexibility and how we support community-based organizations to serve the community will allow for greater success.

Finally, as a group that already exceeds our matching requirement and one that has grown over the past few years to meet the demand of our organizations and our young people, we hope that AmeriCorps can define sustainability in broader ways than just cutting the Corporation's per-member contribution.

By cutting our share, it's our community partners that will be cut. Last year 84 percent of our partner organizations reported that they would be able to sustain our member impacts.

We believe that lasting service impacts are the best way to define sustainability, and I think that good evidence of that is that 80 percent of our members after they serve as a Public Ally continue to serve in careers in the nonprofit sector as well as 78 percent of our alumni reporting that they continue in their volunteer activity.

So I think that's just one small way that our service impact extends beyond their term of service. I'm going to stop there.

MS. VAN DER VEER: Thank you very much, Donna.

MS. MAUK: I've actually seen the Public Allies site where your members and your program directors log on and start accumulating some of the data that you just talked about, the statistics about the long-term effects of AmeriCorps members -- I guess it's not even a question. It's maybe somewhat of a comment.

You know, again, as we think through sending clearer messages, perhaps, about the effects and the impacts of the AmeriCorps program to the folks that live up the street from us in Congress, again, I'm hearing some data and facts that obviously we don't ask

you all to report; and in a world where we're trying to ask you to report less, I'm just sort of struck by that we need to figure out how we get some of the information that you all are holding -- and I don't mean holding in a bad way -- but that you hold that would be very beneficial for us. So thanks.

MR. EISNER: Just following up on that, you note that outcomes are best defined by community. I think you were part of a conversation we had earlier today where we talked about, you know, top down doesn't work and bottom up doesn't scale.

I was meeting with the National Association of Service and Conservation Corps when a couple hundred of them came to Washington. They proposed that although a couple of years ago they wanted outcome measures to be completely grass roots, so basically defined community by community, that now they were asking us to standardize outcomes more so that among the social and service conservation corps they could start rolling up their outcomes and say, "Here's what all of our corps are doing," which they could only do if we're asking for standardized outcomes.

Do you see that as contradicting what you're asking for about outcomes being set by the communities, and is there any middle ground there so that we can find a way of beginning standardization so that we actually could take these results and roll up as opposed to just having hundreds and hundreds of individual outcomes organization by organization?

MS. SMYTH: I think it is another side of the coin in what you're asking. Public Allies is unique that we place all of our people in different organizations, so it is hard for us to come to three program outcomes that each of our members do. Like some of them are doing health. Some are doing young people. Some are doing community initiatives.

So it becomes challenging. But I think one of the things we have found is it takes more work for us as program managers to work with our partners and help them define what the outcomes are for their members and then individually attract those members and then have the skills to look at the outcomes and pull together the commonality, which is what we find ourselves doing.

I think it is hard when it feels like there's a box you have to fit in; and when we extend our service beyond that box, it's hard to manage both. But somehow I want the complexity to exist, but I know it's not easy.

MR. EISNER: Thank you.

MS. VAN DER VEER: Thank you, Donna. Before our next speaker, David Weiss, begins, I just want to say to my colleagues and to everyone that we have nine speakers left and we have an hour to go. So while we want to make sure that you all get what you need from each speaker, we'd like to hear from each speaker as well.

So with that, David, fire away.

MR. WEISS: Thank you very much. I promise I'll be brief. My other community involvement is coaching some UAT soccer players, and it's going to be hard for me to get to where I need to be at 4:30 to do that.

Let me start by introducing myself. I'm David Weiss. I'm really here serving multiple roles today. I am the board chair of City Year Columbus, part of the national City Year organization now up to 15 sites, 17 to 24 year-olds serving in their communities.

I'm also here as senior vice president of National City Bank here in Central Ohio, one of City Year Columbus' major and long-standing funders. I'm also here as a personal funder of City Year. So this issue of sustainability and how we fund the organization is critical to me in all three of those ways.

As is typical with my attendance at events related to City Year, what I have prepared to say and then what I wind up saying normally turn out to be two different things because of all of the excellent ideas and thoughts that I normally hear at these events. So let me, first of all, talk about City Year's position to AmeriCorps and first of all say that we are here today in large part because of the support that we have enjoyed over many years and are greatly appreciative of that.

I'll try not to be too repetitive because I think the issue of what is sustainability and what are the elements of that have been pretty well described; but our position is that it certainly includes many things beyond just simply funding, that the competitive process should consider the strength of an organization's ties to its community partners, the strength of its local leadership, the diversity of its funding sources, its longevity in the community, its expansion of the volunteer base, and its ability to secure multiple stakeholders, commitments to diversity, and, finally, but probably most importantly, to the impact that the organization is able to produce in the community.

The public/private partnership is really very critical to City Year Columbus and to the entire City Year organization; and I can tell you that from my employer's perspective, City Year is a very unique organization. It is one that we have funded since the program began here in Columbus ten years ago, and that's pretty unusual for our company to sustain its financial support of an organization for that long a period of time.

Because of the factors that I just was mentioning that I think the AmeriCorps folks should be considering in sustaining their support of these many organizations, we at National City feel very strongly that the impact of the organization to the local community, the value of developing youth leadership, many other things that are tremendously important, the point being that our support would not have been sustained for that long a period of time without the partnership from the public sector.

That funding, that baseline of support, has allowed us to feel very comfortable that the financial stability of the organization has been there and will continue to be there. I think it's safe to say as we attempted to go out and talk with other companies about the City Year organization locally that without that solid foundation, without that funding partnership with the government sector, our success and our longevity would certainly not be at the level that it is today.

I was very impressed by the gentleman who spoke earlier. And when I think about the City Year organization, I think about the young people who serve in the corps and the even younger people that the corps members serve.

So I normally think about the first, second, and third graders that are tutored. I think about the junior high school students that participate in our Young Heroes program, and I think about the corps members who are 17 to 24 years old.

I like to be able to identify stories of how we had a tutored student who is now a Young Hero or a Young Hero who is now a corps member, and I never really thought about it extending beyond the corps to perhaps citizen.

I'm trying to be very tactful when I say it's really exciting to think about how that can really continue for a lifetime and that the need that our country has to sustain this democracy is really dependent on citizens participating, and this private and public partnership makes that happen.

Thank you.

MS. VAN DER VEER: Thank you very much, David.

MR. EISNER: City Year, of course, is a really important model and also is an interesting litmus test. As we think through various forms and regulations, I find myself, although I try not to, thinking, well, what would this mean for City Year? Because you're in so many places.

How does City Year -- forgetting what the Corporation is going to do, what would City Year's strategy be with a state commission that had some of the kinds of sustainability measures that you're hearing are moving forward in Ohio and Michigan?

MR. WEISS: I guess I'm going to say I'm not probably as familiar with them as I should be to answer your question specifically. Could you ask it another way?

MR. EISNER: If there are requirements, say, by a state commission that require increasing matching or that require sort of increasing thresholds of competition as the life cycle of the grant grows longer, has City Year thought through how it would respond?

I guess I would ask another question that you can either bundle together or not which is do you find that start-up City Years, that new ones require sort of a higher level of federal support than the ones that have been going and have been successful for many years; and is there a way of thinking that there should be sort of a higher threshold, a higher level of initial investment?

MR. WEISS: Let me try and answer that this way. There are three people in the room who could answer that much better than I could. By the way, we have City Year executive site directors here today.

It's my sense that the development of new sites, the planning for new sites is dramatically different today than it has been in the past. I think that actually one of the major differences is around the funding issue and sustainability to try and get multiple-year grants up front.

I think that -- I wouldn't speculate about the percentages of private and public partnership; but I would say that with some of the history and struggles that some sites have had in the past as they began, there has been an absolute commitment to be a little more patient and a little more structured in gaining much more commitment up front to multiyear funding to ensure that those new sites get off to a great start.

I am pretty comfortable saying that, you know, we like the competitive processes. We think our results are such that we have a great story to tell, that we can tell it in a very humanistic way but also very well balanced with hard statistical results that show the impact. So a competitive environment, an increasingly competitive environment, does not overly concern me.

MS. VAN DER VEER: Great. Thank you. Jean, you're next. I'm sorry. David, did you have anything?

MR. EISNER: No.

MS. VAN DER VEER: Okay.

MS. AMBROSE: Thank you, Gretchen. Thank you very much for the opportunity to speak with you. I'm Jean Ambrose. I'm the executive director of the West Virginia Commission for National and Community Service. My chair of the Commission is here, David Bell (phonetic spelling), who came along with me. You'll hear from a staff person with the Commission in a little bit.

I've been the executive director of the West Virginia commission since 1994. I came on a week before the first AmeriCorps launch. I used to have dark hair, which I don't have now, and I had more of it at that time.

I guess I would like to share with you some of my thoughts as I look back over ten years and think about what we thought AmeriCorps was going to be then and where I think we are now because I really have some concerns that I want to share with you.

In my opinion -- and it's my deep conviction -- from the last ten years or so, I believe that AmeriCorps at its core is not about getting things done and it's not about mobilizing volunteers. I really appreciate that I could follow my Public Allies and City Year colleagues in this because I believe that it's really about nurturing leadership for the common good in our country. President Bush often talks about the need to create a culture of service, citizenship, and responsibility. He has challenged Americans to serve at least 4,000 of hours of service during their lifetimes. In this electoral season, we have the expectation that our leaders will have a history of service to their country and that they shall have made a formal commitment to serve and that they should be able to talk about that.

Everyone who wants to serve is not able to serve in the military. And at its best, I believe national service represents the same kind of sacrifice and commitment that military service does and it's aware that the next generation of leadership is going to emerge in our country in the 21st century.

We are creating the future right now when candidates in 10, maybe 10, 20, 30 years are going to be talking about their AmeriCorps service just the way we expect them to talk about their military service now; and if they don't have it, it shows a character flaw of some kind or they really have to explain it. So I think that's what AmeriCorps is about really, and a good thing it is too.

The Corporation ran into problems over the last year and a half because of the great desire of Americans to come forward and make a commitment to serve their country.

The desire to do one's part, to give back is one of the foundations of strong communities and a democracy. It's critical to the development of leadership in a democracy.

People at the Corporation, whatever the flaws of the bureaucratic systems that were in place were really right on the mark in not wanting to frustrate that desire, that impulse, and in doing everything in their power to not disappointment people because that desire is one of the most important commodities that any society has.

So AmeriCorps is just not any government grant program. I guess that's the point that I'm really trying to make here. It's not the same as spinning something off into the private sector.

Over the past decade, the cost of AmeriCorps has been often compared to the cost of volunteer programs; and I think that has been a terrible mistake, misnomer. AmeriCorps should not be compared to volunteer programs. It should be compared to the cost of Peace Corps or the fielding of people in military service.

As we know, it's only a fraction. AmeriCorps costs only a fraction of what those programs cost because of the creative design of AmeriCorps programs that relies on public/private partnerships that we've heard a lot about.

I would submit that there are some AmeriCorps programs that exemplify the dual goals of serving critical community needs and nurturing community needs for the common good, flagship programs that represent the model, the expectation of what service is, what service to one's country looks like. We've heard about a couple of those.

States have those flagship programs also. We have one in our state. It's called Energy Express that was created because we were returning child nutrition money back to the federal government every year because it was too much trouble to run these programs.

This program has 90 sites in our state. In one of the poorest states in the nation, our state legislature gives this program \$500,000 a year. It exemplifies this kind of public/private partnership.

We believe that programs like Energy Express, City Year, Public Allies are national treasures and that they are well-oiled machines that should be permitted to continue at some basic level, as has been discussed, of being able to continue to leverage that support.

I have a lot more to say, but I've run out of time.

MS. VAN DER VEER: Thank you very much, Jean.

MR. EISNER: I'm sorry.

MS. VAN DER VEER: Go ahead, David. This is so hard for David. He wants to engage everyone, and he's doing a really good job.

MR. EISNER: We've heard a few speakers talk about this last point you raised. If we take as an assumption that the issue is not sort of black or white whether you continue support but rather the level of support, do you think for a Public Allies or a City Year or

Energy Express, is there a legitimate discussion about whether over the course of three years, six years, nine years, the level of federal support for the program should be decreased to that level?

You talked about stable funding. And the question is: Is there any portion of the federal funding that you can think of as start-up energy and some other set of the funding that you would think of as stable support? Or would you say that whatever level it starts at it should continue at indefinitely?

MS. AMBROSE: No. I would definitely think that, as has been demonstrated by our flagship program and others, it is possible to raise money for operational costs. It's very difficult raising the unknowing dollars for member living allowances and those kinds of things.

From our standpoint in a state that has very few resources and few sources of partnership dollars, that AmeriCorps program is so significant to us in terms of it's the face of AmeriCorps in our state. If we were to lose that program, AmeriCorps in West Virginia would suffer a huge setback because we only get \$500,000 of formula funds.

We could never have that kind of impact as being able to maintain this flagship presence for what AmeriCorps should look like. In my mind -- I haven't consulted with the program involved and as Kyle said, this needs a larger conversation -- but being able to perhaps maintain at a members-only level, like the VISTA program basically.

But if we're talking about a program that's like the VISTA program with members only, then we should have the same amount of paperwork that VISTA has.

MR. EISNER: Thank you very much.

MS. VAN DER VEER: Thank you, Jean. Leslie, Martha, and Kris, come on up to the table. Larry Meade, Mary Steele, and Maureen Drummond, please come on down front. Okay. Leslie, you are the first speaker.

MS. ADKINS: Hi. I'm Leslie Adkins. I'm a program officer at the West Virginia Commission. I just want to apologize, first of all, for reading this. I actually hadn't planned on speaking today; and then about a half hour prior to the meeting, I thought, if I drove three and a half hours and missed the opportunity, then I'd really kick myself later.

MR. EISNER: Thank you very much for making that decision.

MS. ADKINS: I just want to share a few thoughts about how some of the current guidelines affect West Virginia as a small rural state. We have had tremendous success with AmeriCorps. We've really been able to address a lot of community needs through the programs we've been able to fund; but as the level of federal funding decreases, fewer and fewer organizations in our state are able to take advantage of AmeriCorps.

Not a lot of organizations in West Virginia have the capacity to handle the programmatic and fiscal management that is required of AmeriCorps programs. We're a very small, very rural state; and there's just not a lot of resources. The lowered cost

per member and the increase in living allowance that took effect this year made granting AmeriCorps funds in West Virginia particularly hard.

We began our grants process about six months prior to the due date from the Corporation. We do that so that we can solicit concept papers from all potential grantees. Then we work with them, providing technical assistance until they get to the next step to submit a full application. We also hold quarterly meetings around the state with our Corporation office in our state to talk about AmeriCorps grants, VISTA, and CCC.

Even with all that outreach this year, we only got eight grant applications. That's due mainly to just the fact that not a lot of organizations have the capacity to manage the financial liability of running a program. People just aren't beating down our door for these grants because it is hard in such a small state for them to come up with a lot of the match money that's required.

The cost per member coupled with the increases in living allowance and health care leaves very little to actually operate and manage the programs in West Virginia. There's not a lot of money to go around; and with the lower cost per member, it left so much less money in the operating costs of the budget to actually run and manage the program and provide the training and the members as necessary.

The fact that member costs can only be matched with federal funds is also very hard on our state because most of the money that's available in a small state is from federal sources. With funding decreases it seems reasonable that the restrictions and requirements should go down. With the education awards program in particular, it's really hard to expect programs to meet all the guidelines when they're only given \$400 to do that with.

Many of the requirements are particularly burdensome to small states and make it hard for us to recruit new programs, and we definitely don't want to lose the quality programs we currently have just because they've been funded for so many years. Most of our programs are education based so it's unreasonable to think that the problem is going to be solved in three years. The need is ongoing; and so three years just isn't enough to follow the community problem, nor is it enough to leverage the resources to support the program in absence of federal funding.

As a small and proper state, we probably need AmeriCorps in our community more than a lot of other places; but it's harder and harder in West Virginia to manage programs with decreased federal funds. But as the federal support decreases if the restrictions and requirements -- like some of the paperwork that Jean talked about -- if that also decreased, it would make AmeriCorps a much more appealing program in West Virginia. And it would make it easier for us to grant out the money to find small grass-roots agencies who are often in the best position to meet the needs of the community.

I think that the Corporation must consider the limits of grantees in small rural states when setting sustainability and match requirements and deciding on an appropriate level of federal funding. As I say, we've developed a sustainability plan that we feel best fits the needs of our state and our program and think that that should be considered by the Corporation for our state.

MS. VAN DER VEER: Thank you. Any follow-up?



MR. EISNER: Can you just give like three sentences on what that sustainability plan entails?

MS. ADKINS: Yeah. We actually do increase the match after three years of funding just in operating costs. The same 15 percent is required in the actual member costs. In addition to that, with our competitive programs, we're retaining 1 percent of their admin funds to provide technical assistance on developing sustainability plans. We've actually brought on outside consultants, campaign consultants, to work with the programs.

MR. EISNER: Thank you very much.

MS. VAN DER VEER: Okay. Martha.

MS. BOTTOMLEY: Thank you very much for having us come and be able to talk with you today. I am Martha Bottomley, and I am a former AmeriCorps member. It's kind of amazing to me that I am the first one to be able to say that.

I cannot begin to tell you how much my AmeriCorps experience meant to me. I spent two years as an AmeriCorps member in Muskegon, Michigan. Kris and I both are from Muskegon, Michigan. It came to me at a time in my life when I really needed something to take my life in a little different direction. While I didn't really know how little it was going to be because it's just been a huge shift in my life.

I'm also the executive direct of Volunteer Muskegon, which is a volunteer center. We have -- and Kyle will tell you. He kids me all the time that I run a mini corporation because we also have an RSVP program. We've had Learn and Serve grants. We currently have a Learn and Serve grant, and we will be getting two VISTA members very soon.

I really would encourage the Corporation to look at AmeriCorps more in line with the Senior Corps programs. After having watched the RSVP program and helping them budget, manage that particular grant, to see that we know we can count on X number of dollars, we do have to have a local match for that program, as we do with our AmeriCorps program. But we know what that's going to be basically from year to year. We don't feel so pulled around by the Senior Corps program as we do sometimes with the AmeriCorps program.

One of the things that the director of the West Virigina Commission said I think is very true in that it builds leadership. We have a Youth Volunteer Corps, which works with young people between the ages of 12 and 18, and many of our AmeriCorps members have come from our Youth Volunteer Corps.

They work with the AmeriCorps members and say, "That's what I want to do when I get to be 18, and I know I can help pay my college expenses with that ed award." So it's a really worthwhile program in building leadership, building capacity in our communities.

At one time in the staff of five at the volunteer center, four of us were former AmeriCorps members. Currently there are three of us who are former AmeriCorps members. It's made a huge difference in the way we operate our center. The way we built our center was based a lot on what happened with AmeriCorps and with the Corporation programs.

Muskegon is a beautiful community on the shores of Lake Michigan. However, our median income is half of what the median income is for the state of Michigan. So to lose the dollars in AmeriCorps grants would be significant in our community.

We would really have a hard time placing our members in our nonprofit organizations, which is what we do. We really -- the host site is where our program director is located. That's Kris. And we kind of subgrant out our AmeriCorps members to other nonprofit agencies. Then they come together, and that's our team. We feel that in many ways we've kind of maxed them out, but we know that the need is there; and all of our members work with youth in-service learning. I'm not going to steal all that Kris wants to say.

But I would encourage the Corporation to really look at how Senior Corps programs are funded, how there are ongoing dollars to help manage those programs and meet the goals. And I know at least in the state of Michigan, many of the Senior Corps programs have arrived at some common goals and benchmarks. I think that's quite doable for AmeriCorps, at least on state levels.

I think to continue to vigorously evaluate programs is really important so that we do meet the goals and objectives that are set for our programs. Thank you.

MR. EISNER: Thank you.

MS. VAN DER VEER: Okay. And now we get to hear from the second person from Volunteer Muskegon, and that's Kris Collee.

MS. COLLEE: We drove six hours so we figured we would both get up here. My name is Kris Collee, and I am the AmeriCorps program director for our Volunteer Muskegon AmeriCorps; and I am a former AmeriCorps member as well serving with the agency's with Youth Volunteer Corps.

We've heard a lot today from large institutions. Let me give you a picture of what this means to small grass-roots, community-based organizations and what the FTE rate challenges us and how that challenges us. Volunteer Muskegon actually had a set of AmeriCorps members from a national parent organization that helped us to carry out our mission.

When that team was lost, what had happened is basically we were not reaching the amount of young people that we were reaching on a continual basis through AmeriCorps. So when the opportunity came to apply for a state commission grant, Volunteer Muskegon jumped on that along with several partners.

And in collaboration, these partners said that we don't want any one organization to assume the majority of these costs. Therefore, our sustainability plan is going to be to divide our local match for the federal grant and divide it by our FTE and prorate it so that each one of our partner sites pays that local match essentially that covers everything from the administrative costs of the grant to the program costs to the member support costs.

That has worked out wonderful in theory until the summer of 2003. You heard Kyle Caldwell say that in Michigan for every segmented volunteer, we raise approximately 27

nonsegmented volunteers. With our program, for every AmeriCorps member, we recruit almost 200 youth volunteers.

Before 2003 I was a full-time, 100-percent AmeriCorps program director. After our cuts we went from 21 AmeriCorps members serving over 1,900 children in one year down to 10 full-time AmeriCorps members and a 50-percent program director.

For all of you who are out there as program directors, you know that personal and professional development is just as important in AmeriCorps as it is about what you get done. Therefore, whether you train 10 AmeriCorps members versus 21 AmeriCorps members, it doesn't really matter. It's the same amount of time that you put into it. So just kind of some things that we've learned.

Therefore, some of those challenges in decreasing the FTE rate, especially as it comes to small grass-roots nonprofits, is that less AmeriCorps members actually equates to less assistance with program support. Another thing that is difficult for small young nonprofits, such as ourselves, is that sustainable support comes through private funders that have a history and track record.

Because Volunteer Muskegon is only eight years old and our AmeriCorps program is less than four years old, we are just setting base on our track record. Therefore, it's been very difficult for us to receive private donations because we're still working on the community getting to know our name and what our mission is.

The next thing that I want to bring up that's happening in the state of Michigan is the unemployment issue. Many states do not have to pay unemployment for their AmeriCorps members. However, there was something that happened this summer to our AmeriCorps members that actually overruled that. So now on top of the FTE rate, we are now having to pay unemployment taxes and benefits for our AmeriCorps members, which, then again, reduces the costs that we have to support our programs. This is a big issue for us.

Going back to the local match that we require our partners to contribute, the one thing that the gentleman from the foundation talked about is the economics. Right now we're in an economic recession. We all know that all nonprofit agencies have actually reduced the amount of funds that they are bringing in through private donations, and that certainly does not make it any more easy for our local partners to come up with those funds. When our school partners have to choose between staff people and teachers versus AmeriCorps, you know who is going to be shown the door first.

So then also that really comes down to with small nonprofit agencies, such as ours, in smaller communities, our donor lists are already saturated. We already share many of the same donors throughout our communities. We know that the Johnsons are on everyone's donor lists, and chances are so are the Smiths.

So some suggestions. Definitely when you define sustainability locally, we really encourage you to look at we understand that one size does not fit all but perhaps looking at the size of the agency's budgets and the number of staff people that they have might be a helpful guideline. And also another thing is to perhaps have national benchmarks that the Corporation for National Community Service has that would then be trickled down.

And we understand, again, that one size does not fit all. However, it would help us in our mission and our vision with our agencies. Thank you.

MS. VAN DER VEER: Thank you, Kris. Thanks to both Kris and Martha for driving six hours to be with us today.

MS. COLLEE: AmeriCorps is important to us.

MS. MAUK: David and I were actually having this conversation last night. He said, "Rosie, about how many FTEs does it take for a program that they can then afford to have a full-time person directing those AmeriCorps members?" And I just heard you say that you had 19?

MS. COLLEE: We have 13 full time, 2 part time, and 6 summer-only AmeriCorps members that allowed us to support 1 full-time staff person.

MS. MAUK: So maybe, you know, another piece of data that would be helpful for us would be for us to sit down with you and figure that out. Where's the break? I mean, when you get cut, our conversation was about what we all live through.

MR. EISNER: And the interesting question on something like that is not necessarily when you get cut. The interesting question is that once you have full-time staffers, you actually have more capacity. So at that point, once we get you to the point of being a full-time staff person, we can actually give you additional FTEs without having to provide that much more additional admin support because you've sort of gotten to the point where you are able -- as you said, it doesn't cost that much more to train 20 than 10.

I think we should be thinking about sustainability both on sort of the production side but also think that there's an interesting upside to the sustainability decision.

MS. COLLEE: And quite honestly, we were ready to expand our program but for 2003. We were ready. Our partners were ready to say, "We want more AmeriCorps members."

MS. MAUK: Thanks.

MS. VAN DER VEER: Okay. Thank you to Leslie, Martha, and Kris. If I could have Mary and Maureen up front. And also is Larry Meade still in the room? He had signed up to speak, but I don't think he is in the group. I don't know why. I don't see him down front here.

Kathryn Curry, however, you signed up. Why don't you come on up and join these two. Okay. Mary, you're next.

MS. STEELE: Thank you. I'm Mary Steele. I chair the Iowa Commission on Volunteer Service. Adam Longsberry (phonetic spelling), our ED, had planned to be here. Just a few minutes before the session started, I found out that he did not get off the ground in Des Moines; but he was kind enough to fax me some notes. So I'll defer a little bit from the previous speakers who spoke with eloquence and were very articulate, and I'll go to my nuts-and-bolts list here.

We are concerned about performance measures. We're concerned about qualifications for tutors and, of course, sustainability. But because that's been addressed at length, I'm going to skip to the other area, that according to Adam's notes, are a concern; and I agree as a commissioner that this is a concern and that is the grants process and specifically around the grants timetable.

I'm going to try not to editorialize. I'm going to try to go by this list here that was prepared by our ED and his staff. The Corporation should consider streamlining and making the grant process more consistent with confirmed deadlines, dates, constructions, and so forth.

Along with that, the timing of the cycle is frustrating because Congress never seems to approve funding in time for implementation of the programs. I'm guessing there's not a lot you can do about that.

MR. EISNER: We are talking about playing with the calendar maybe a little better.

MS. STEELE: Great. In addition, the inconsistency of grant deadlines, awards, and so forth is not conducive to encouraging new applicants. Now please don't kill the messenger here.

MS. VAN DER VEER: Thanks for the warning.

MS. STEELE: The Corporation does not meet their own deadlines, which results in much frustration among commissions and programs that puts commissions in the awkward position with formula funding and results in many confusing messages.

The Corporation should provide adequate time for applicants to submit their proposals and post and maintain accurate information regarding deadlines on their web site. As of March 11, for example, the CNS web site does not have any fall 2004 deadlines listed. It lists the Homeland Security deadline of April 13, but no guidelines have been issued for this deadline. We've been told that the deadline will be moved to the fall, but nobody will say that for sure.

Also someone should be responsible for making decisions in a timely manner and notifying commissions and programs with adequate time to properly prepare and review nominations. And then in a somewhat related topic, continuing application requirements seen burdensome; and we would recommend a reduced or shorter application should be developed for the continuation process.

I will stop there and make sure you get the other written comments.

MS. VAN DER VEER: Very good. Thank you.

MR. EISNER: Let me just particularly thank you for pointing out the places where the Corporation has work to do to catch up with commitments its made in the past. These are things that we are really, really focused on.

I would actually prefer to have a lot of that done before engaging in the rulemaking process for the exact reason that you point out. It's pretty hard to focus on these rule

changes when we're sort of not meeting our own obligations, and yet this is where we are. So thank you for pointing that out.

MS. VAN DER VEER: Okay. Thank you, Mary. Maureen, you're the next speaker, please.

MS. DRUMMOND: Hi. My name is Maureen Drummond. I'm currently program director at the Volunteer Services Agency in Youngstown, Ohio. We have three programs focused on volunteer service and RSVP, a volunteer center, and a Face Action Program. I also am currently the president of the Ohio Volunteer Centers Association, and collectively we have some thoughts that kind of echo what Maile Doyle and Kitty Burcsu have reflected; and keep in mind that they are basic thoughts.

Many of our Ohio volunteer centers have experienced AmeriCorps. Many have not because of some of the daunting application processes or finding that match money. So here we go.

The Ohio Volunteer Center Association would like to voice the following ideas pertaining to AmeriCorps rulemaking:

First, lower federal match requirements to allow smaller and faith-based organizations to compete. Encourage utilization of AmeriCorps members in fund raising and capacity-building activities versus direct service to increase sustainability of programs and create marketable professionals. Eliminate activity percentages from member position descriptions.

Allow grantees to determine the scope of local and state needs. Provide higher levels of technical assistance in order to decrease the learning curve of grantees. Provide technical assistance in identifying potential match dollars and/or sustainable dollars. And, lastly, create consistent program and member requirement guidelines.

Thank you.

MS. VAN DER VEER: Thank you, Maureen. Any follow-up for Maureen?

MR. EISNER: Do you know of other volunteer center organizations in the network that's going to likewise provide comments along those lines? That was an interesting list of needs, and I want to make sure that we found a way to very specifically understand how those particular issues impact volunteer centers and whether it's a relationship between the volunteer centers and the commissions or between the volunteer centers and the Corporation.

So I'd like you to give some thoughts on those issues that you just named.

MS. DRUMMOND: Sure. Thank you.

MS. MAUK: And we haven't forgotten our conversation last night that we would contact a couple of individuals whose names you give us nationally.

MS. VAN DER VEER: Okay. The next speaker is Kathryn Curry.

MS. CURRY: Okay. Well, like she said, I'm Kathryn Curry. You'll have to excuse me. I just had a really large coffee, and I'm a little jittery. I'm an AmeriCorps alumni; and I guess before these two other ladies from Michigan came up here, I was beginning to think that I was the only person in the room that was an AmeriCorps alumni. Nothing more important than that.

So I guess the two things that I wanted to touch on were sustainability, particularly to the extent to what AmeriCorps members should be engaged in in recruiting future volunteers or temporary, short-period volunteers. I worked in Lorain, which, if you don't know Ohio very well, is a steelworkers town, a car town.

A lot of people in that community have never gone to college. Their children don't go to college. Their grandparents didn't go to college. And so we had a lot of members who were either there through the National Job Board that they could come to the state and perform tasks in the state, in Lorain, or were members of the community who had been laid off and didn't have any other work and so they chose to do AmeriCorps, which, like this lady said before, was a great turn of events in their lives.

I hope the members are very vital in their testimony to the success of the program and in programs with youth involvement, a very valid example of community service and what community service is as well as the diversity of education and levels of knowledge because we had a very wide range of age groups that participated. Our oldest volunteer was 67, I think, the youngest being 19.

And so I think that it was important -- we worked in schools in reading literacy programs -- for kids to see what you could do with your life and what a college education meant and just where you could go with yourself, and this program was a good example for that.

Also the alumni of AmeriCorps played a very vital role in continued service. My friend Carolyn, who is also an alumni from this program, is now a trainer for Reading is Fundamental in D.C. She was just here this past weekend doing training here in Ohio, and we had a very interesting conversation about educational reform in an urban setting and how AmeriCorps paved the way for us to get involved in more volunteer settings and volunteer programs because people look at AmeriCorps on your resume and realize that you've had obviously quite a lot of dedication to be involved in a program like that. And I think that's a very valid point, that this program has a very good name attached to it; and I don't want to see that that's tainted in any way.

Also the qualifications for end requirements for tutors, which is the second thing I wanted to touch on, in the program that I worked for, aside from putting a proficiency test on the application process, I think it's sort of difficult to test where people are at.

But short of testing people to make sure they are adequate tutors, our program had many speakers come in to talk about diversity in educational settings, ways to teach and tutor and interact with kids on many different levels. And those were there because we had the money to spend on getting speakers in who were qualified who not only either donated their time and came to talk to us or were paid speakers. That was very, very helpful, not only during my time in AmeriCorps but actually in a future setting. I've used it in my job that I have now as an assistant teacher at OSU.

Let's see. I'm reading off of my stuff. Here also we have these monthly meetings and regrouping of ideas in order to share experiences, successes, and failures of what really worked with tutoring kids; and I think that's another way. I don't know if there's some guidelines that you can set up for people when they're doing, you know, the tutoring for kids; but maybe that would be something they could work off of in order to ensure that we're becoming really successful tutors with these kids.

Ironically, we were discussing that all of our credit card debt was incurred during our service years. In spite of that, it has played a huge part in my life as a life-shaping experience. It influenced and validated me and my interest to teacher in inner-city, at-risk situations.

And although it would be very nice to have some kind of educational award that went along with how fast OSU is increasing their tuition, that may not be a reasonable expectation of AmeriCorps. And I think that people don't really care because this is something they really want to do.

But for them to continue to want to do that, we have to make it so they're not qualifying for food stamps while they're working as full-time employees or part-time employees as AmeriCorps volunteers.

So I think that's what I wanted to say. Thank you very much for coming here to Ohio.

MR. EISNER: Thank you very much.

MS. VAN DER VEER: Thank you for sharing how important your member experience was to you.

MS. MAUK: Your last comment there about your credit card bills, one of my daughters is serving this year. She called this last weekend. She's in an area where her cell phone is on roaming. So she called and said, "I won't be able to call you, Mom, for the next six weeks because I can't afford the roaming charges on my cell phone."

MS. CURRY: It's very expensive unfortunately.

MS. VAN DER VEER: Okay. That was the last of our speakers who signed up in advance. I'm looking at my watch. I'm seeing that we have about 15 minutes left. We have some wrap-up comments, but let's say we could hear from maybe one more. So if there is anyone who didn't sign up in advance who is feeling the spirit move, this is your final chance.

Do I have any takers? Don't be shy. Okay. Paula.

MS. KAISER: Sorry. I can't pass up the opportunity. I'm Paula Kaiser, and I'm the deputy director of the Michigan Commission and have been there for eight years now and actually have been with AmeriCorps in helping create the Indiana Commission. I've been with it since the inception, so I have some real thoughts and perspectives on this.

Michigan has had a policy in place around our sustainability. About four or five years ago, we began to have a discussion at the commission level about what kind of grant



maker do we want to be and to be very intentional with the limited amount of resources that we have. How do we want to utilize and share those resources across the state?

And so we have been working with our programs for several years around this, and let me just provide some perspective because I think you're really interested in some of the policies that have been put in place. We allow a program when it enters into our portfolio three years at your normal match requirements, meaning 85/15 for member support cost and then 67/33 for the program operational costs.

Beginning in year four, we increase their program operational match to be 50/50. Then in year five, it becomes 40/60. And then in year six, it becomes 25/75.

Now, during that time, none of the 85/15 changes because what we heard when we engaged our grantees in this dialogue about how could we begin to get them to share more costs, it was very clear they did not have the ability to raise money for the member stipends but they could raise money to get to the point where they were actually affording more of the program operations, like the full-time staff and training, things like that.

And so our goal of being when you reached your seventh year, you're going to be at a hundred percent of program operations and the only thing you're really getting from us is the member support cost at the 85/15 percent rate.

The other thing that we decided to do was to add sort of an ed award only twist because we had some requirements for some statewide events that we do and things like that for members that are budget requirements, and so we actually allow them to apply for \$500 for FTE to participate in the statewide events that we do to buy uniforms and to do some member training so that we didn't begin to impact the quality of the member experience by forcing them to do that.

What I will tell you in some of the lessons that we've learned by increasing the match requirement doesn't necessarily lead to sustainability because programs become savvy enough to create more and more in-kind resources to meet that increased match, and what we thought our policy would do would be to see decreases in the amount of federal dollars they were requesting because they would begin to pick up more of those moneys with cash and not through just saying, "Oh, we weren't counting this as in-kind so all of you supervisors out there now, 5 percent of your time will now be counted so we can move to that next level of match."

So I will caution you to say just because you increase match requirements does not necessarily mean it leads to sustainability think. We have to begin to think about, well, will we change our policy to think more of that percentage has to be cash rather than just in-kind? because we haven't looked at that issue yet.

But I do know that when we had to grandfather this, we wish we had the foresight to do this at the very beginning; but at the very beginning we didn't even know if AmeriCorps was going to be around from year to year. So we had to really implement this and grandfather some of our programs who had been in existence.

To speak to a point I think that Rosie mentioned, we only have 2 programs in our state that have been with us since the inception; and at one point our portfolio was as large

as 26. This year we're at 13. So that just gives you some perspective that our own sustainability policy has cycled some folks out because they simply weren't able to meet that increased cash match over time and so they were just simply forced to not reapply.

At the same time -- I think Kyle spoke on this issue -- we do have a waiver policy. So if people can come to us and can demonstrate they'd made effort and simply can't get there, then we as a commission have the ability to say, "We will definitely take that into consideration," and they may be able to stay at match level for one more year or come in between two match levels or whatever. So we're trying to provide some flexibility for unique local circumstances as well.

So I just think those are primarily the things. The other thing I'll just add because I think this is an important question you asked, we require that the minimum amount of FTEs that a program can apply for is ten FTEs; and we did that many years ago because we thought that there were some cost deficiencies that you just can't meet unless you are at least ten FTEs. Now we're beginning to find that that is even too low.

As Kris just explained, they can't even support a full-time director at ten FTEs. We just ran this process to select new grantees, and we'll be submitting some of them for competitive funding. We can't get somebody at ten FTEs to come in and meet the 12/4. That's the reality. They can barely even meet a thousand dollars over that at this point in time. So the reality is if we have to force programs to grow bigger, a lot of communities are not going to have the opportunity to apply.

MS. VAN DER VEER: Thank you, Paula.

MR. EISNER: Let me ask you a quick question. As you use sustainability to cycle some programs through, were you able to determine whether the programs that were not able to meet the new requirements shared anything in common? In particular one of the things I'm concerned about is whether increasing matching requirements ends up adversely affecting the diversity of your programs.

MS. KAISER: The diversity in terms of members or diversity in terms of type?

MR. EISNER: Both.

MS. KAISER: I'm trying to think. I would have to think about the commonality of those that have sort of not been able to continue on because of the increased match requirements. I mean, some of them the unique circumstances might have been that they weren't able to leverage resources from their partner sites in terms of asking them for match, things like that, or increased match. I'm not certain. We'd have to go back and kind of look at that, and we'd certainly be willing to do that.

MR. EISNER: That would be really helpful.

MS. VAN DER VEER: Okay. Let's take this one last speaker, and then that's unfortunately it. But then I'm going to tell you about all kinds of ways that you can still have dialogue with us. So go ahead. Please introduce yourself.

MS. BAILER: Hi. Thank you. I'm Penny Bailer. I have the great privilege of serving as the executive director of City Year Detroit. I've been in that role for two and a half

years. Before that I was a board member. I come here to say that I'm so sorry that so many of my board members could not come who wanted to be here. They will definitely write to you.

We were founded in 1999 in Detroit. That was at the height in '98, '99 when the money was being raised at the height of a really great economy. We were very fortunate. But the appeal to that private sector, our private sector match was two-thirds to one-third, was that it was a partnership; and that is the kind of thing that gives people hope in our city.

In our city we're trying to bring everyone back into Detroit. We're trying to get people to invest in our city. Our city is about partnerships, and so the thought that somehow our success over a period of years would make us eligible to lose that partnership is somehow against the promise that was made when it was founded.

What my board members would say to you is that the partnership is one of the most attractive things that allows that private sector match to be raised. We want to grow. There needs to be a critical mass of volunteers so that the community is inspired because it's not just about inspiring and developing the corps members to be lifelong community servers. It's about inspiring the community and inspiring the children.

They do. They look up to people in that sweatshirt and they say, "That's my City Year teacher. I want to be in City Year," and all the other agencies as well. It's very, very inspiring. As you know, when you put it on your resume, employers look at it and just say, "Oh, this is wonderful. I wish I had done this. I wish my children had done this. I wish everyone could do this."

So the idea is to allow us to build capacity to grow and that it really will be some day the most commonly asked question, "Where are you doing your service year?" That's really our goal. I just wanted to emphasize that because I know that's what our board members would say.

Now we're in a severe recession. It's tough in Detroit. Our unemployment, they say when the rest of the nation has a cold, Detroit has pneumonia. It's very hard in Michigan throughout the state. So at a time like this to begin decreasing that federal partnership is really going to hurt what we can do in our community.

I ask you to really think. I want to be held accountable for outcomes. I will give you statistics. I will give you the numbers. We will do the surveys. We will produce the outcomes. And I like that. I think it sharpens our focus and makes us do what we all agree must be done. But we'd like to continue the partnership as a way to make it strong.

Thank you.

MR. EISNER: Thank you.

MS. VAN DER VEER: Thank you. Obviously there are a lot of people in this room that care very deeply about this program; and for those of us who came from Washington, it makes us think that we want to keep doing what we do in Washington because it has a purpose out here in the rest of America.

Thank you for your patience and waiting to speak, those of you who signed up. For those of you who didn't speak and may on your way back home have a thought that, gosh, if only I had a chance to say that, you will have a chance. Here in this little blue flier I think that each of you has it tells you how.

There are more of these meetings happening across the country. So if you feel like doing some more driving and you want to drive all the way to Seattle, we will be there the end of this week on the 18th from one to four. We'll be in Seattle, Washington.

Boston is a little closer to Ohio than Seattle. We'll be in Boston on March 26. We'll be in Washington D.C., so we won't have to drive very far, on March the 31st. April 2nd we'll be in Rosie Mauk's second home, Toledo being her first, of course, but her second home being the Dallas Fortworth area in Texas. So we'll be there April 2.

If you can't make it to another to speak in person, we have conference calls happening March 25, April 1, and April 5. It tells you how to get registered to be on one of those conference calls.

If you don't have anything you want to say but feel more expressive in writing, right there, [rulemaking@cns.gov](mailto:rulemaking@cns.gov) is how you can get your comments to us. If you like your fax machine better than your e-mail, you can fax to Nickie Goren, the associate general counsel. The number is on the paper. Or we take snail mail. It may be eradicated. We might not get it for three months, but you can send us mail. Our address there in Washington is listed as well.

Thank you so much for your participation today. I'm going to turn this back over to David Eisner.

MR. EISNER: Thank you very much. I was a little worried about what three hours was going to feel like; but it felt for me enormously productive, interesting. I learned a bunch of things that I didn't know.

There were a couple of painful elements too. First of all, on my ankle. Every time I asked a question, I was getting kicked. But more importantly, even though three hours sounds like a long period of time, it still feels like a lot of the questions were dealt with at a very superficial level. It's hard.

I appreciate all the speakers particularly who focused not just on trying to hold a position but rather sort of helping us carve through how we begin to make some decisions. I haven't figured out exactly how to take these conversations.

I don't think we're going to get -- this was a terrific meeting. I can't imagine we'll get to much more depth in the other local meetings. So for me the next question is how to extend the dialogue so that we can take some of the ideas and ferment them that came up at this meeting and I'm sure will come up at the others and really begin to dig deeper and deeper until we can begin to figure out a strong-man policy.

UNIDENTIFIED SPEAKER: Is there any way you can do some kind of Internet message board that we could get some of this written dialogue so we can bounce ideas back and forth?

MR. EISNER: Yeah. I think there's got to be some way of having a broadening of the discussions. It's a little hard with a bulletin board format because I'm confident that as soon as I start floating what about this or what about that, all of a sudden folks will be thinking, oh, now we know what the new rule is going to be.

We do need to figure out how to push the dialogue deeper. I don't know if I've mentioned this, but we're also doing this internally at the Corporation. We're doing in reach so that both the state/national staff and the rest of the staff of the entire Corporation have been invited to participate in meetings like this so that we can get the best of the ideas that are percolating internally.

Thank you so much for your patience, for your ideas, for your commitment to the program. You'll be hearing more from us as we move the process forward.

Rosie, anything else you want to add?

MS. MAUK: No. Just thank you.

MR. EISNER: Let me again thank Kitty and Bill from the Commission and thank Paul from the State Office and our whole team, Rosie and Gretchen and Frank and Susannah and Sheree (phonetic spelling).

Thank you very much.

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Thereupon, at 4:58 p.m., on Monday, March 15, 2004, the meeting was concluded.

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